



Education Exchange Annual Report 2020

Trustees:

Maggie Nicholls
Paul Nicholls
Dave Shorten (Secretary)
Sue Shorten
Ellie Stewart
Maggie Waugh (Chairperson)
Rob Waugh

Objectives:

To advance education and training, preserve and protect the health and relieve financial hardship of people living in the area in and around Wundanyi and Mwatate, Taita-Taveta, Kenya. This to be done in particular by supporting the work of schools, children's homes and training centres, working in partnership with local health clinics and providing loans and grants.

The trustees have had regard to the guidance on public benefit issued by the Charity Commission.

Education Exchange supports four projects in Taita and reports on the activities of each follow.

Grace Mwatate Children's Home

As with all our projects, 2020 was a year in which the leaders of Grace Mwatate focussed on keeping their children safe from the pandemic. However, early in 2020 we were still able to help leaders Habel Mwakio & Pastor Simon Kariuki press ahead with the installation of solar panels and battery- the aim of which is to enable the home to satisfy most of its own electricity needs. This cost just over £5000, and we covered this amount thanks to generous support from the Aloysius Trust, who committed in 2019 to giving Education Exchange £6000 a year for three years, which trustees agreed to spend exclusively on development grants. When trustees Sue & Dave Shorten visited in late January/ early February 2020, they met staff and children, they went to church with them and took gifts from Hopton Primary School. There are still some 30 children who live at Grace Mwatate, with more primary than secondary aged children.

Taita Environmental Initiative (TEI)

In January, before our Trustee visit later in the month, we used another Aloysius Trust grant of £4100 to fund for TEI the purchase of a machine to produce charcoal briquettes from waste plant material. This machine was to become a principal income generating activity for TEI through 2020 and beyond. Sue & Dave saw the machine in action during their visit- indeed they helped in the production of a sample supply of briquettes: they are a much cheaper and more eco-friendly alternative to the charcoal briquettes which most people cook with in Taita. This project clearly has much potential to make money for TEI. In January, TEI also moved their office and workshop much closer to the centre of Wundanyi, so that their welding business might attract more customers. The TEI shop in the market also continues to produce funds for the organisation.

At the height of the first wave of Covid, we sent an extra £1300 to TEI to enable them to support people who were struggling financially.

In June Scaver Isuwirio stepped down from his role as TEI Coordinator. Scaver founded TEI in 2008 and has been massively instrumental in the success of the organisation, developing it into a highly respected and successful community group in and around Wundanyi, with many people benefitting from its financial support and practical advice. He was succeeded by Irine Mkavita, whom Sue & Dave first met in 2012, and whose smallholding they visited again on this visit. In their judgement, Irine is an excellent choice as the new Coordinator.

In November it emerged that two members of TEI staff had not been paid since 2019. This had not been mentioned to Sue & Dave in January, and trustees reluctantly decided to send £1680 from our reserves to cover this shortfall. It was clear that Irine had inherited this situation and we wanted to give her a clean sheet at the start of her time in office. We made it clear to the TEI Board of Management that we would not be willing to help if there were any future financial difficulties.

Upper Planet Training Centres

This was a very difficult year for Upper Planet. In the second half of 2019 George Mwakisha had refurbished a new Upper Planet Centre in Mwatate, having closed the Mwatunge Centre because it had failed to remain viable. The Mwatate Centre is in an excellent position on the main road at the busiest crossroads in a row of bustling shops. Mwatate itself is taking over from Wundanyi as the principal town in our part of Taita, with a number of local government offices moving down to the plains from the hills. When Sue & Dave visited in January, the Centre had just opened and there were early signs that the business was picking up. Then came Covid and lockdown: the Mwatate Centre and the well-established Centre in Kitukunyi were forced to stop teaching and close operations: only the shop at Kitukunyi remained open. So income from training was non-existent for most of the year, and only the Kitukunyi shop brought in regular cash, and the new Mwatate Centre closed for the second half of the year.

In addition, many Kitukunyi shop customers had lost their jobs and were asking for provisions without being able to pay there and then. In June and August, we made two payments to Upper Planet, totalling £1300, which enabled people in this dreadful position to have some basic food: there is a common understanding in Kenyan culture (this is backed up by Selina's experience at Mvono Clinic) that if you are given credit, you pay back whenever you can, even if this is years later. Trustees willingly took George Mwakisha's advice (our philosophy is to trust the decision making of our leaders on the ground in Kenya) We hope that 2021 will bring re-openings and reestablishment of sold income streams and the chance for Kenyans to improve their IT skills.

Mvono Medical Clinic

This year brought many challenges for Selina and her team at Mvono. Soon after Covid took hold in Kenya, which was somewhat later than in the UK (cases in Taita have never reached the numbers we experienced here) it was clear that health professionals were not going to have access to levels of protection and safety available to our health workers. We therefore did all we could to keep her and her staff safe. So in April we sent Mvono an extra £1800 for her to buy protective equipment, to install an extractor fan in her surgery and to revamp her waiting area, so that patients could wait more safely before consultations. (The Aloysius Trust gave us an extra £5000 to address pandemic issues across our four projects) Selina was very appreciative of this support and has been better able to stay safe than colleagues in other local clinics (it is worth saying that she was not double jabbed until August 2021!) When Sue and Dave visited in January 2020 Selina was looking forward to taking her development agenda further forward through the year, in particular a successful application to be registered as a provider under the NHIF (National health Insurance Fund). But all this has had to be sidelined as she combats Covid in her community.

Summary of Accounts 2020

a) Income

Monthly Direct Debits	5870	
Donations	6633*	including 783 trustee travel costs donated back to the charity
Aloysius Trust	11000	
Gift Aid	3655	
Recycling	145	
Total	27303	

b) Expenditure

Upper Planet IT Centres	4654	
TEI	9988	
Mvono Clinic	6289	
Grace Mwatate Children's Home	6068	
Travel expenses*	783*	trustee travel costs (donated back to the charity)
Total	27782	

Education Exchange, Charity no 1149665

Audit of Accounts for the period 1 January 2020 – 31 December 2020

The following were provided for checking..

- Monthly bank statements, spreadsheet showing monthly DDs and SOs, and the 2 paying in books
- Transaction documents from Rational FX and TorFX, explanatory emails and accompanying receipts from the relevant projects in Kenya
- Income and Expenditure summaries - which balanced.

Income

- Income was £27,303 (£23,785.21). This included grants of £6k and £5k from the Aloysius Trust and £2k from Garry Deeks.
- The monthly Standing Orders from 28 donors were £5,870 (£4,325) – a significant increase.
- HMRC Gift Aid repayment was £3,655.36 (£2491.75).
- Income continues from sales of scrap metal - £145.13 (£475.18).
- The revised income summary reconciled with the bank statements.

Expenditure

- Total expenditure for the period was £27,782.49 (£20,303.21)
- Payments to the 4 projects in Kenya were as follows :-

- Upper Planet	£4,654.47 (£6,004.14)
- TEI	£9,987.92 (£2,887.99)
- Mvono	£6,288.75 (£3,567.86)
- Mwatate	£6,068.78 (£6,439.67)
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- In every case there is an email from Dave Shorten explaining the purpose of each payment and where appropriate setting out further payments that will be made during the financial year. Within the email there is also a reminder/request for a receipt for the actual amount received. Despite this, there are numerous receipts missing from Upper Planet, Mvono and TEI.
- Trustees have approved the re-imbursement of trustee expenses when they travelled to visit and monitor progress at the projects in Kenya. The sum of £782.57 was paid out in respect to D and S Shortens trip in Jan/Feb 2020 and immediately paid back in as a donation by D Shorten.
- Following continuing problems and delays with former provider Rational FX, international payments were changed to TorFX during the year. There were some initial problems with a payment to Mvono but these were rectified and all the payments reconcile with the bank statements. The exchange rate has continued to fluctuate between 131KES and 126KES.
- The bank balance at 31 December 2020 was £8,355.59 (£8,834.54)

Governance

This year I have had a wider discussion with Dave Shorten than usual, prompted mainly by:-

- The extension of the charity's reach and role to include emergency (Covid19) funding for individuals in need and the delegation to 3rd parties for its allocation.
- Problems with TEI finances which highlight the risks associated with oversight of projects and people so far away.
- The recruitment and retention of Trustees and the dependence upon and influence of the Shorten family.

In response,

- DS has provided a copy of your Trust Deed which clearly provides for 'the relief of financial hardship'. However it is nevertheless important that such decisions are ratified by the Board and properly minuted.
- DS has also provided a copy of his proposals for changes to the management of projects in Kenya. I am reassured that whatever the Boards final decisions about appointment of someone 'on the ground' with delegated responsibilities and authority, this can only help improve the monitoring of and reporting on both activities and financial management. It would be prudent to include the creation of - and regular reporting on - a basic 'risk register' as part of the local managers role.
- Clearly the various members of the Shorten family have been crucial to the creation and successful development of EE and DS is increasingly aware of the need to put its work on a more sustainable and transparent footing. Assuming that the UK end of EE is to continue along similar lines to now, I would recommend that Trustees should be elected at least every three years and serve a maximum of three of such terms. I believe this would help with recruitment and broadening representation.

I wish the charity and its trustees continuing success over the next twelve months.

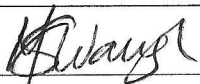
Terry Ward
June 2021

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Declaration

The Trustees declare that they have approved the trustees' report above

Signed on behalf of the trustees:

Signature	
Full Name	MARGARET SINCLAIR WAUGH
Position	CHAIRPERSON
Date	25/10/21